

ENDOWMENT FUND INVESTMENT PERFORMANCE REPORT FISCAL YTD 9/14/2004



Fiscal Year Beg Market Value 755,837,196
 Net Contribution FYTD 13,805,227
 Investment Gain (Loss) FYTD (8,312,184)

Manager	Return Information (full year periods are through previous month-end)								Market Value Information				
	MTD	QTD	CYTD	FYTD	1 Year	2 Year Ann	3 Year Ann	5 Year Ann	FY Beg MV	Current MV	% Total	% of Eq	% US Eq
Total Endowment Portfolio													
Total Account	2.06	-0.81	2.65	-0.81	12.29	11.72	4.13	N/A	755,837,196	761,330,239	100.00%		
Policy Hybrid	1.46	-0.13	2.41	-0.13	12.01	11.62	3.95	2.12					
Strategy Benchmark	1.35	-0.08	2.88	-0.53	12.23	11.43	4.24	2.78					
Equity Only													
Total Equity Portfolio	2.73	-2.36	2.29	-2.36	14.71	12.86	1.50	N/A	538,278,384	536,266,986	70.44%		
Equity Hybrid	2.07	-1.36	2.26	-1.36	12.34	12.87	1.88	-0.91					
Strategy Benchmark	1.90	-1.24	2.94	-1.88	14.87	13.99	3.40	0.81					
Fixed Only													
Total Fixed Portfolio	0.41	3.39	3.61	3.39	6.62	5.75	6.22	N/A	215,934,989	223,726,570	29.39%		
Lehman Bros Aggregate (Hybrid) *	0.05	2.70	2.61	2.70	5.66	5.15	6.01	7.29					
Relative Performance	0.36	0.69	1.00	0.69	0.95	0.60	0.21	N/A					
Northern Lehman Agg Index Fund	0.46	3.40	3.54	3.40	6.55	5.72	6.20	N/A	201,529,980	206,918,002	27.18%		
Lehman Bros Aggregate (Hybrid) *	0.05	2.70	2.61	2.70	5.66	5.15	6.01	7.29					
Relative Performance	0.41	0.70	0.94	0.70	0.89	0.57	0.19	N/A					
Northern TIPS Fund (Incep 2/04)	-0.19	3.31	N/A	3.31	N/A	N/A	N/A	N/A	14,405,009	16,808,568	2.21%		
Lehman TIPS	-0.30	2.73	4.67	2.73	9.89	8.13	9.57	10.15					
Relative Performance	0.11	0.58	N/A	0.58	N/A	N/A	N/A	N/A					
Cash Equivalents													
Money Market Fund	0.03	0.24	0.78	0.24	1.14	1.32	1.59	N/A	999,556	153,508	0.02%		
3 Month T-Bill	0.03	0.27	0.74	0.27	1.09	1.27	1.55	3.07					
Relative Performance	0.00	(0.03)	0.04	(0.03)	0.05	0.06	0.04	N/A					
Domestic Equity Managers													
Total Domestic Equity Composite	2.97	-2.02	3.63	-2.02	14.55	N/A	N/A	N/A	432,650,464	431,761,737	56.71%	80.51%	
Russell 3000	2.06	-1.40	2.15	-1.40	13.59	13.75	2.28	-0.52					
Relative Performance	0.91	(0.63)	1.48	(0.63)	0.96	N/A	N/A	N/A					
Domestic Equity Managers - Large Cap													
Total Large Cap Composite	2.56	-1.32	3.57	-1.32	14.61	N/A	N/A	N/A	301,861,112	305,769,233	40.16%	57.02%	70.82%
Russell 1000	1.89	-1.21	2.08	-1.21	13.43	13.14	1.85	-1.10					
Relative Performance	0.67	(0.11)	1.49	(0.11)	1.18	N/A	N/A	N/A					

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Manager	Return Information (full year periods are through previous month-end)								Market Value Information				
	MTD	QTD	CYTD	FYTD	1 Year	2 Year Ann	3 Year Ann	5 Year Ann	FY Beg MV	Current MV	% Total	% of Eq	% US Eq
Northern S&P 500 *	2.22	-0.79	2.52	-0.79	13.73	13.34	1.35	N/A	99,616,588	98,692,988	12.96%	18.40%	22.86%
S&P 500	1.84	-1.13	2.27	-1.13	13.50	12.78	1.42	-1.71					
Relative Performance	0.38	0.34	0.25	0.34	0.23	0.55	(0.07)	N/A					
* Managed by Key Bank until 4/17/03													
Northern R1000 Growth (Incept 5/03)	2.62	-3.70	-1.16	-6.16	7.83	10.89	-1.42	N/A	49,417,013	47,558,367	6.25%	8.87%	11.01%
R1000 Growth	2.08	-4.16	-1.54	-6.11	7.56	10.77	-1.53	-6.97					
Relative Performance	0.54	0.46	0.38	(0.04)	0.27	0.12	0.10	N/A					
Mastrapasqua (Incept 1/01)	4.18	-6.49	-2.26	-10.23	3.49	15.21	-3.33	-2.04	48,776,970	45,611,619	5.99%	8.51%	10.56%
R1000 Growth	2.08	-4.16	-1.54	-6.11	7.56	10.77	-1.53	-6.97					
Relative Performance	2.10	(2.32)	(0.72)	(4.12)	(4.07)	4.44	(1.81)	4.93					
Northern R1000 Value (Incept 7/03)	2.00	2.00	5.61	0.00	19.38	15.35	4.99	N/A	41,363,874	42,098,968	5.53%	7.85%	9.75%
R1000 Value	1.71	1.70	5.70	-0.01	19.51	15.51	5.04	3.60					
Relative Performance	0.29	0.30	(0.09)	0.01	(0.13)	(0.16)	(0.04)	N/A					
Met West (Incept 1/01)	2.33	1.37	14.54	-0.94	31.34	21.28	7.60	4.96	52,334,616	53,062,720	6.97%	9.89%	12.29%
R1000 Value	1.71	1.70	5.70	-0.01	19.51	15.51	5.04	3.60					
Relative Performance	0.62	(0.34)	8.84	(0.93)	11.83	5.77	2.56	1.36					
LSV Asset Management (Incept 5/04)	1.13	-0.77	N/A	-1.89	N/A	N/A	N/A	N/A	10,352,051	18,744,571	2.46%	3.50%	4.34%
R1000 Value	1.71	1.70	5.70	-0.01	19.51	15.51	5.04	3.60					
Relative Performance	(0.58)	(2.47)	N/A	(1.88)	N/A	N/A	N/A	N/A					
Domestic Equity Managers - Mid Cap													
Total Mid Cap Composite	3.66	-3.89	3.00	-7.28	14.26	N/A	N/A	N/A	86,532,831	83,173,959	10.92%	15.51%	19.26%
Russell Midcap	2.20	-1.85	4.70	-3.96	17.84	19.86	8.20	7.27					
Relative Performance	1.46	(2.04)	(1.70)	(3.32)	(3.58)	N/A	N/A	N/A					
Artisan Partners (Incept 5/03)	4.32	-5.48	1.81	-5.48	11.15	16.93	3.79	12.81	43,164,682	40,796,100	5.36%	7.61%	9.45%
Russell Midcap Growth	3.01	-5.00	0.65	-5.00	10.70	20.15	3.41	0.32					
Relative Performance	1.31	(0.49)	1.16	(0.49)	0.44	(3.22)	0.38	12.49					
Oppenheimer Capital (Incept 5/03)	2.87	-2.31	6.08	-2.31	18.85	21.78	12.39	17.18	26,313,261	25,705,594	3.38%	4.79%	5.95%
Russell Midcap Value	1.64	0.48	7.68	0.48	23.10	19.62	10.82	10.05					
Relative Performance	1.23	(2.78)	(1.60)	(2.78)	(4.25)	2.16	1.57	7.14					
Systematic Fin Mgmt (Incept 5/03)	3.25	-2.27	1.08	-2.27	14.64	17.03	12.23	N/A	17,054,888	16,672,266	2.19%	3.11%	3.86%
Russell Midcap Value	1.64	0.48	7.68	0.48	23.10	19.62	10.82	10.05					
Relative Performance	1.61	(2.75)	(6.60)	(2.75)	(8.47)	(2.59)	1.41	N/A					

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	MTD	QTD	CYTD	FYTD	1 Year	2 Year Ann	3 Year Ann	5 Year Ann	FY Beg MV	Current MV	% Total	% of Eq	% US Eq
Domestic Equity Managers - Small Cap													
Total Small Cap Composite	4.63	-3.26	4.56	-3.26	14.19	N/A	N/A	N/A	44,256,521	42,818,545	5.62%	7.98%	9.92%
R2000	4.03	-3.47	3.05	-3.47	15.84	22.28	8.13	7.28					
<i>Relative Performance</i>	<i>0.60</i>	<i>0.21</i>	<i>1.51</i>	<i>0.21</i>	<i>(1.65)</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>					
Nicholas Applegate (Incept 1/01)	4.79	-6.24	-0.85	-6.24	6.22	15.82	0.86	-0.94	21,478,363	20,143,931	2.65%	3.76%	4.67%
R2000 Growth	4.66	-6.78	-1.48	-6.78	8.21	20.81	2.59	-0.47					
<i>Relative Performance</i>	<i>0.13</i>	<i>0.54</i>	<i>0.63</i>	<i>0.54</i>	<i>(1.99)</i>	<i>(4.99)</i>	<i>(1.73)</i>	<i>(0.47)</i>					
Barrow Hanley SCV (Incept 2/04)	4.50	-0.46	9.88	-0.46	22.90	25.51	19.02	24.11	22,778,158	22,674,614	2.98%	4.23%	5.25%
R2000 Value	3.49	-0.30	7.51	-0.30	23.67	23.68	13.03	14.14					
<i>Relative Performance</i>	<i>1.01</i>	<i>(0.16)</i>	<i>2.37</i>	<i>(0.16)</i>	<i>(0.77)</i>	<i>1.83</i>	<i>5.99</i>	<i>9.96</i>					
International Equity Managers													
Total International Composite	1.74	-0.32	0.57	-0.32	18.50	11.91	3.87	N/A	105,627,921	104,505,249	13.73%	19.49%	
MSCI EAFE	2.12	-1.02	3.50	-1.02	24.83	16.53	5.03	-0.69					
<i>Relative Performance</i>	<i>(0.38)</i>	<i>0.70</i>	<i>(2.93)</i>	<i>0.70</i>	<i>(6.33)</i>	<i>(4.62)</i>	<i>(1.16)</i>	<i>N/A</i>					
Marvin & Palmer (Incept 7/03)	1.96	-3.76	-2.84	-3.76	11.97	3.84	-4.35	-3.58	51,856,481	49,946,429	6.56%	9.31%	
MSCI EAFE Growth	2.10	-2.06	2.19	-2.06	22.20	14.43	4.21	-3.67					
<i>Relative Performance</i>	<i>(0.14)</i>	<i>(1.70)</i>	<i>(5.03)</i>	<i>(1.70)</i>	<i>(10.23)</i>	<i>(10.62)</i>	<i>(8.56)</i>	<i>1.09</i>					
NWQ (Incept 5/04)	1.54	1.46	2.16	1.46	24.15	13.13	4.63	2.62	53,771,440	54,558,820	7.17%	10.17%	
MSCI EAFE Value	2.14	0.01	8.41	0.01	35.95	21.10	7.32	2.94					
<i>Relative Performance</i>	<i>(0.60)</i>	<i>1.45</i>	<i>(6.25)</i>	<i>1.45</i>	<i>(11.80)</i>	<i>(7.97)</i>	<i>(2.70)</i>	<i>(0.32)</i>					

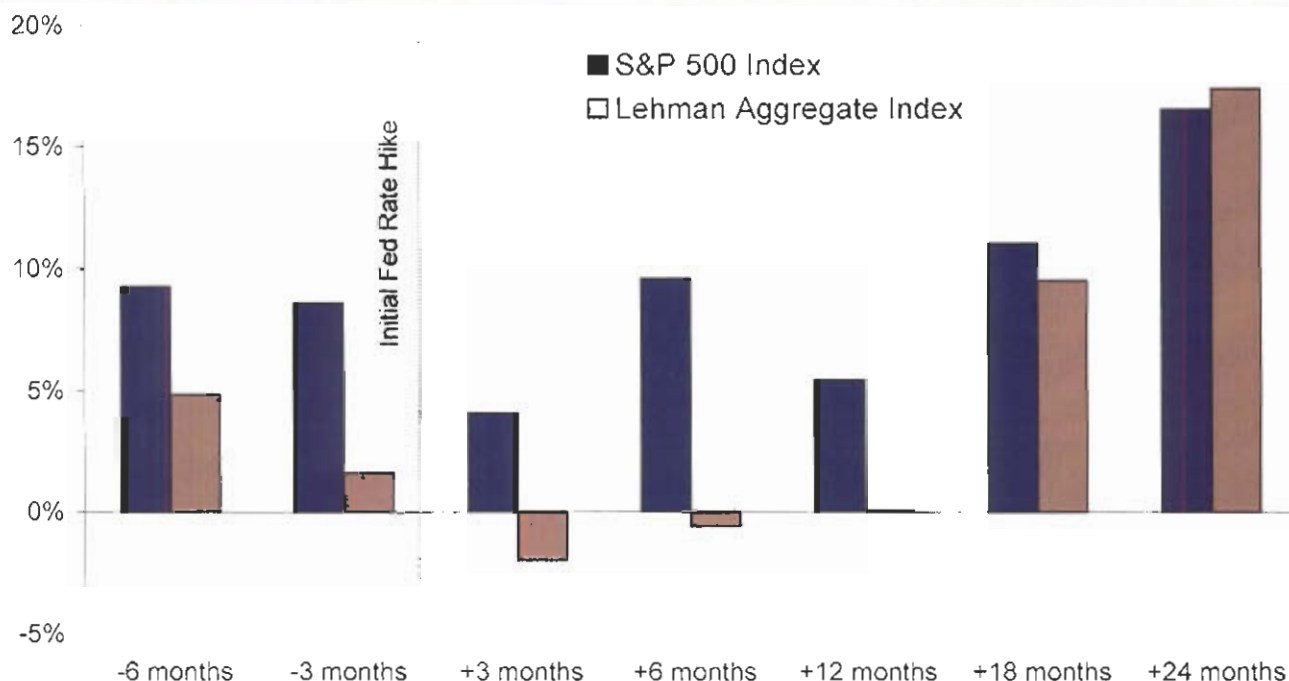
* Note: The numbers in green reflect historical manager composite date, not actual results for EFIB. This data is provided for historical reference and statistical calculation only.

* Note: The date in parentheses indicates the actual inception date of the manager with EFIB.



State of Idaho
Endowment Fund
June 2004

Average Stock and Bond Performance Before and After Initial Fed Rate Hikes



Average return information calculated based on the last five rising interest rate environments beginning on the following dates: 8/12/1980, 5/24/1983, 12/16/1986, 2/4/1994, and 6/30/99. The returns for periods prior to 1994 are calculated using the closest month-end of each rate hike, due to lack of availability of daily pricing data.

Sources: T. Rowe Price, Bloomberg, Zephyr Associates, and the U.S. Federal Reserve.

Asset Class Performance During Fed Tightening Cycles

Beginning	Fed Funds		Fed Funds	Annualized Returns			
	Funds	Ending		S&P 500	Russell 1000	LB Aggregate Bond	LB Long Term Gov't Credit
August 12, 1980	9.50%	May 6, 1981	20.00%	18.0%	18.2%	-8.3%	-16.1%
May 24, 1983	8.50%	August 21, 1984	11.75%	6.9%	4.5%	6.4%	3.2%
December 16, 1986	5.88%	February 24, 1989	9.75%	12.3%	11.5%	5.2%	4.2%
February 4, 1994	3.00%	February 1, 1995	6.00%	3.0%	2.5%	-1.6%	-7.3%
June 30, 1999	4.75%	May 16, 2000	6.50%	8.3%	10.4%	1.5%	0.5%
Average				9.7%	9.4%	0.6%	-3.1%

*The annualized returns for periods prior to 1994 reflect returns from the closest month-end for the beginning of the cycle to the closest month-end for the end of the cycle, due to lack of availability of daily pricing data.

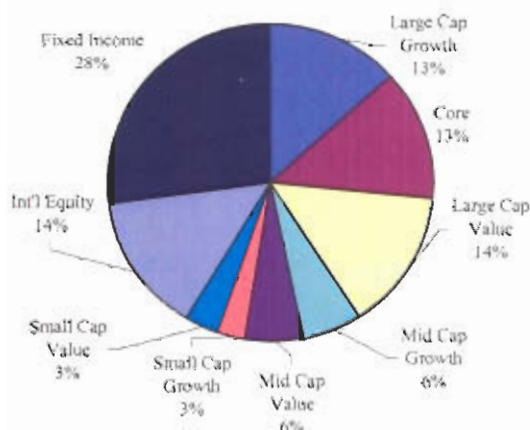
Sources: Fidelity Investments, Bloomberg, Zephyr Associates, and the U.S. Federal Reserve.

State of Idaho Endowment Fund

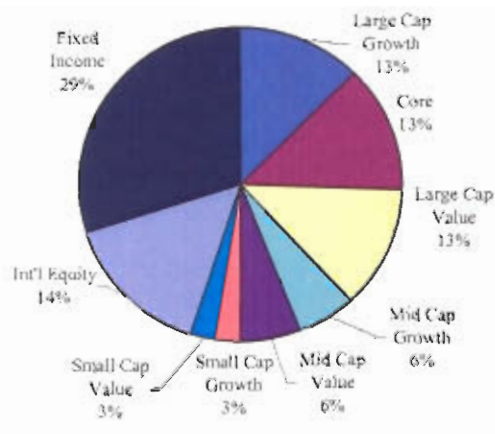
June 30, 2004

	Market Value	% of Total Portfolio	Actual Weight	Policy Weight
Domestic Equity - Large Cap Growth			13.0%	12.5%
Mastrapasqua	\$48,776,969.56	6.5%		
Northern Russell 1000 G.	\$49,417,012.87	6.5%		
Domestic Equity - Core			13.2%	13.0%
Northern S&P 500	\$99,616,587.74	13.2%		
Domestic Equity - Large Cap Value			13.8%	12.5%
Metropolitan West	\$52,326,711.43	6.9%		
LSV	\$10,352,051.00	1.4%		
Northern Russell 1000 V.	\$41,363,873.84	5.5%		
Domestic Equity - Mid Cap Growth			5.7%	6.0%
Artisan	\$43,164,682.05	5.7%		
Domestic Equity - Mid Cap Value			5.7%	6.0%
Oppenheimer	\$26,314,434.59	3.5%		
Systematic	\$17,054,888.45	2.3%		
Domestic Equity - Small Cap Growth			2.8%	2.5%
Nicholas Applegate	\$21,478,363.24	2.8%		
Domestic Equity - Small Cap Value			3.0%	2.5%
Barrow Hanley	\$22,778,157.54	3.0%		
International Equity			14.0%	15.0%
NWQ (Value)	\$53,771,439.91	7.1%		
Marvin & Palmer (Growth)	\$51,856,480.56	6.9%		
TOTAL EQUITY	\$538,271,652.78		71.3%	70.0%
FIXED INCOME			28.7%	30.0%
Northern Lehman Agg.	\$201,529,980.05	26.7%		
Northern TIPS	14,400,236.14	1.9%		
Cash	972,000.00	0.1%		
TOTAL ACCOUNT	\$755,173,868.97			

Current Asset Allocation



Policy Asset Allocation





**State of Idaho Endowment Fund
Net Performance Summary**

		Ending June 30, 2004							Current
Manager		Assets	2nd Qtr.		Trailing 1-Year		Trailing 3-Years		Fees
Domestic Equities									
Large Cap Growth									
Mastrapasqua	\$	48,776,970	-0.17%	(85)	20.17%	(36)	-6.47%	(92)	0.50%
Russell 1000 Growth Index	\$	49,417,013	1.86%	(35)	17.55%	(57)	n/a		0.02%
Large Cap Growth Median			1.30%		31.70%		-2.17%		
Russell 1000 Growth			1.94%		17.87%		-3.74%		
Large Cap Core									
S&P 500 Index Fund	\$	99,616,588	1.64%	(44)	18.91%	(57)	-0.87%	(68)	0.02%
Large Cap Core Median			1.45%		19.50%		0.413		
S&P 500			1.72%		19.11%		-0.70%		
Large Cap Value									
Met West	\$	52,326,711	5.73%	(1)	37.02%	(2)	5.77%	(23)	0.41%
LSV*	\$	10,352,051	3.26%	n/a	n/a		n/a		0.60%
Russell 1000 Value Index	\$	41,363,874	-0.50%	(80)	20.58%	(46)	n/a		0.02%
Large Cap Value Median			1.60%		20.01%		2.82%		
Russell 1000 Value			0.88%		21.13%		2.96%		
Mid Cap Growth									
Artisan	\$	43,164,682	1.95%	(32)	27.53%	(42)	n/a		0.80%
Mid Cap Growth Median			0.80%		25.79%		-2.32%		
Russell Mid Cap Growth			1.05%		27.24%		0.23%		
Mid Cap Value									
Oppenheimer	\$	26,314,435	3.19%	(23)	29.66%	(22)	n/a		0.65%
Systematic	\$	17,054,888	0.29%	(84)	22.29%	(62)	n/a		0.50%
Mid Cap Value Median			2.01%		23.76%		6.62%		
Russell Mid Cap Value			1.73%		30.81%		9.83%		
Small Cap Growth									
Nicholas Applegate	\$	21,478,363	1.05%	(36)	30.34%	(39)	-2.09%	(71)	0.50%
Small Cap Growth Median			0.31%		29.20%		1.17%		
Russell 2000 Growth			0.09%		31.55%		-0.22%		
Small Cap Value									
Barrow Hanley	\$	22,778,158	0.88%	(71)	n/a		n/a		0.70%
Small Cap Value Median			2.09%		33.78%		12.31%		
Russell 2000 Value			0.85%		35.17%		12.15%		
International Equities									
NWQ*	\$	53,771,440	0.80%	n/a	n/a		n/a		0.75%
Marvin and Palmer	\$	51,856,481	-3.06%	(70)	22.54%	(97)	n/a		0.60%
International Median			-0.70%		32.12%		6.74%		
MSCI EAFE Value			2.10%		39.02%		6.38%		
MSCI EAFE Growth			-1.26%		26.80%		20.62%		
MSCI EAFE			0.44%		32.85%		4.25%		
Equity Composites									
Total Equity Composite	\$	538,271,653	1.11%	(47)	23.91%	(46)	-0.39%	(70)	0.40%
Large Cap Composite	\$	301,853,206	1.87%		21.84%		-1.14%		0.16%
Mid Cap Composite	\$	86,534,005	2.08%		27.15%		n/a		0.70%
Small Cap Composite	\$	44,256,521	0.99%		33.15%		10.35%		0.60%
International Composite	\$	105,627,920	-1.82%		22.07%		1.82%		0.68%
All Equity Median			1.37%		22.83%		2.51%		
Russell 3000			1.33%		20.46%		0.15%		



**State of Idaho Endowment Fund
Net Performance Summary**

<u>Manager</u>	<u>Ending June 30, 2004</u>							
	<u>Assets</u>	<u>2nd Qtr.</u>	<u>Trailing 1-Year</u>	<u>Trailing 3-Years</u>	<u>Fees</u>			
		<u>Fixed Income</u>						
Investment Grade Fixed	\$ 201,529,980	-2.45%	(76)	0.18%	(71)	5.95%	(52)	0.02%
TIPS*	\$ 14,400,236	-3.04%	(93)	n/a		n/a		0.02%
Total Fixed Income	\$ 215,930,216	-2.48%	(78)	0.25%	(69)	5.97%	(52)	0.02%
Fixed Income Median		-2.11%		0.61%		6.01%		
Lehman Aggregate		-2.44%		0.33%		6.36%		
Lehman TIPS		-3.10%		3.85%		9.25%		
		<u>Total</u>						
Total Fund	\$ 754,201,869	0.09%	(55)	16.78%	(17)	2.88%	(47)	0.29%
Balanced Median		0.19%		11.88%		2.66%		
Policy: 63% Russell 3000		0.13%		14.97%		2.65%		
7% MSCI EAFE								
30% Lehman Aggregate								

*Partial Quarter

Median returns represent custom peer groups defined by RBC Dain; 1 is best, 100 is worst

State of Idaho Endowment Fund**Active Manager Insight
June 30, 2004****Mastrapasqua****Portfolio Positives:**

Strong performance from Biogen, Genentech
Federal Express and Fisher International

Portfolio Negatives:

Poor relative performance from technology
positions: Symantec, Analog Devices,
Cisco, and Intel

Mastrapasqua holds that the current market sentiment has depressed the market and expects it to rebound in the event uncertainty diminishes.

Recommendations: Hold

Met West**Portfolio Positives:**

Stock selection and underweight in financials
Strong stock selection in technology,
industrials, and healthcare

Portfolio Negatives:

Weak stock selection in consumer staples
Underweight in energy

MetWest is looking to a global recovery to persist and will continue with their consistent approach that they expect will allow the portfolio to outperform the market.

Recommendations: Hold

LSV**Portfolio Positives:**

Performance from across sectors: Ford, Bank
of America, and AllState
Energy stocks: ChevronTexaco &
ConocoPhillips

Portfolio Negatives:

Financial holdings: Allstate and Citigroup
Tech and telecom stocks: Bellsouth and
Hewlett Packard

LSV believes that their portfolio is well positioned for the future. Note that this product has now closed to new investors.

Recommendations: Hold

Artisan**Portfolio Positives:**

Holdings in economically sensitive sectors:
Industrials, logistics, and transportation
Stock selection: Eaton, Danaher, Precision
Castparts, Expeditors International, Robert
Half, and Federal Express

Portfolio Negatives:

Holdings in the healthcare sector: Mylan
Laboratories, Millennium Pharm.,
Varian Medical Systems, and Aetna

Artisan continues to hold that the economy is growing; however interest rates and energy prices could disrupt the market.

Recommendations: Hold

OppenheimerPortfolio Positives:

Strong stock selection in healthcare, technology, and consumer discretionary
 Overweight in industrials
 Underweight in financials

Portfolio Negatives:

Underweight in consumer staples
 Weak performance from retail holdings

Overall, the managers are pleased with the magnitude of opportunities in the market and believe that the portfolio is well positioned to take advantage of strong returns in the coming quarters.

Recommendations: Hold

SystematicPortfolio Positives:

Strong stock selection in consumer discretionary, utilities, and telecom
 Underweight in financials
 Overweight to energy

Portfolio Negatives:

Poor performance from information technology and materials

The managers believe that as economic and geopolitical concerns abound, the best way to generate alpha is to focus on companies with improving fundamentals.

Recommendations: Hold

Nicholas ApplegatePortfolio Positives:

Stock selection and overweight in consumer staples and industrials: Briggs & Stratton
 Overweight in energy
 Underweight in technology
 Individual selection: Palm One

Portfolio Negatives:

Poor stock selection in healthcare: Vicuron Pharmaceutical

Nicholas Applegate is confident in its ability to find and invest in companies that are well positioned in the current environment of shaky geopolitical affairs and rising interest rates.

Recommendations: Hold

Barrow HanleyPortfolio Positives:

Overweight and stock selection in industrials
 Underweight to financials
 Individual issue selection: JB Hunt Transport, Brady Corp., Flowserve, and Idex Corp.

Portfolio Negatives:

Underweight and stock selection in healthcare
 Poor performing consumer staples holdings: American Italian Pasta Co. and Reynolds & Reynolds Co.

Barrow Hanley believes that the small cap market is far from overvalued and will continue to outperform.

Recommendations: Hold

Marvin & PalmerPortfolio Positives:

Currency return aided performance

Portfolio Negatives:

Poor issue selection in technology

Overweight to Japan

Underweight to European companies

Emerging markets exposure

Marvin & Palmer expects the energy and industrial sectors to outperform technology and has shifted their sector allocations accordingly.

Recommendations: Watch

NWQPortfolio Positives:

Strong performance from Japanese equities:

Makita and Nintendo

Holdings in energy: Shell Transport

Stock selection in consumer staples: Tate &

Lyle and J. Sainsbury

Portfolio Negatives:

Poor performance from materials issues,

mainly gold companies: WMC Resources,

Gold Fields, and Barrick Gold

The managers intend to maintain a cautious bias towards low value equities, which they contend will benefit in the current global environment.

Recommendations: Hold